

CITY OF MUSCATINE
IN-DEPTH MINUTES
Council Chambers – 7:00 p.m. – March 11, 2010

Mayor Dick O'Brien called the City Council In-Depth meeting for Thursday, March 11, 2010, to order at 7 p.m. Councilmembers present were LeRette, Natvig, Bynum, Roby, and Lange. Also present were City Administrator Gregg Mandsager, Finance Director Nancy Lueck, Public Works Director Randy Hill, and City Engineer Jon Lutz.

Finance Director Lueck gave a power point presentation on the proposed fiscal year 2010/2011 budget.

City Administrator Mandsager noted the city goals furthered by this budget.

PUBLIC HEARING

Mayor O'Brien stated a public hearing was being held concerning the proposed Amendment #1 to the 2009/2010 city budget.

There were no oral or written petitions for or against the proposed amendment to the 2009/2010 city budget.

#20957. Councilmember Lange moved the public hearing be closed. Seconded by Councilmember Natvig. All ayes; motion carried.

PUBLIC HEARING

Mayor O'Brien stated a public hearing was being held concerning the proposed adoption of the annual budget and tax levy certifications for the fiscal year ending June 30, 2011.

There were no oral or written petitions for or against the proposed adoption of the 2010/2011 city budget.

#20958. Councilmember Bynum moved the public hearing be closed. Seconded by Councilmember Roby. All ayes; motion carried.

PUBLIC HEARING

Mayor O'Brien stated a public hearing was being held concerning the proposed General Obligation Essential Corporate Purpose Loan Agreement in an amount not to exceed \$5,225,000.

There were no oral or written petitions for or against the proposed loan agreement.

#20959. Councilmember Roby moved the public hearing be closed. Seconded by Councilmember Natvig. All ayes; motion carried.

PUBLIC HEARING

Mayor O'Brien stated a public hearing was being held concerning the proposed General Obligation Municipal Building Loan Agreement in an amount not to exceed \$700,000.

There were no oral or written petitions for or against the proposed loan agreement.

#20960. Councilmember Natvig moved the public hearing be closed. Seconded by Councilmember Lange. All ayes; motion carried.

PUBLIC HEARING

Mayor O'Brien stated a public hearing was being held concerning the proposed General Obligation Recreation Trail Loan Agreement in an amount not to exceed \$70,000.

There were no oral or written petitions for or against the proposed loan agreement.

#20961. Councilmember Lange moved the public hearing be closed. Seconded by Councilmember LeRette. All ayes; motion carried.

#20962. Councilmember Roby moved the resolution be adopted approving Amendment #1 to the 2009/2010 City Budget. Seconded by Councilmember Natvig. All ayes: Councilmembers LeRette, Natvig, Bynum, Roby, and Lange. Motion carried and resolution duly adopted.

#20963. Councilmember Natvig moved the resolution be adopted approving the annual city budget for the fiscal year ending June 30, 2011. Seconded by Councilmember Roby.

Councilmember Bynum voiced his opposition to the proposed 2010/2011 city budget as well as the utility franchise fee. He stated he cannot justify the proposed tax increases based on the economy and unemployment levels. He stated he feels the city should be helping the residents by not increasing taxes. He stated he was also opposed to increasing subsidies to Senior Resources, the Chamber and CVB. He ended by saying he had received several comments from his constituents to keep the taxes low.

Councilmember LeRette stated he feels the city does not need to create a new utility franchise tax.

Councilmember Natvig stated it is the city's goal to keep the levy low; however, we faced numerous challenges for this proposed fiscal year. He stated the city has many options to review during 2010/2011.

Councilmember Lange stated the city was unable to keep the levy low because taxable valuations dropped, police and fire pensions increased, and the capital projects bonded indebtedness increased. He pointed out City Council reduced the 4% proposed levy to 1.4% but also added the utility franchise fee. He stated the economy continues to struggle and he hopes progress can be made in 2010/2011.

Finance Director Lueck addressed Councilmember Bynum's questions and concerns.

Councilmember Lange stated he was not sure which way to vote; however, he feels it is too late to address changes.

Councilmember Roby stated that during the 10+ budget meetings that were held, decisions were made to maintain the city's level of service plus continue to make much needed capital improvements. She stated she looks forward to the upcoming year's improvements as well as working on improving the city's bond rating. She ended by stating she was in favor of the proposed budget.

Vote – Three ayes: Councilmembers Natvig, Roby, and Lange. Two nays: Councilmembers Bynum and LeRette. Motion carried and resolution duly adopted.

(Note: It was later determined that a majority vote of the full Council (four votes) was needed to adopt this resolution.)

#20964. Councilmember Roby moved the resolution be adopted combining and authorizing loan agreements and general obligation bonds and providing for the levy of taxes to pay the same. Seconded by Councilmember LeRette. All ayes: Councilmembers LeRette, Natvig, Bynum, Roby, and Lange. Motion carried and resolution duly adopted.

The first topic for discussion following the public hearings and approval of the respective resolutions, was the potential impact of future capital project financing on the city's debt service levy. City Administrator Mandsager and Finance Director Lueck reviewed with Council the information contained in the memorandum they had received with their agenda.

City Administrator Mandsager then reviewed the proposed utility franchise fee and for what purposes it can be used.

The next item on the agenda was an update on the Cedar Street Reconstruction Project.

Public Works Director Randy Hill and City Engineer Jon Lutz gave a power point presentation on Cedar Street and identified different options for moving the project forward. Mr. Hill stated staff is looking for direction from City Council. It was noted the local option sales tax could be used only on the south side of Cedar Street due to the sewer.

Councilmember LeRette asked if the second option, which is the creation of three lanes from Houser Street to Imperial Oaks at a cost of \$1.6 million, could be selected along with a trail on the north side of Cedar Street.

Mr. Hill stated the amount of grading and excavating work for the trail would increase the cost.

Councilmember Natvig asked if either Option 4 or 5 could be done in two phases.

He was told all the work would have to be done at the same time which would be the road first, the trail next and no shoulders due to the creation of three lanes of traffic.

Councilmember Lange asked if a traffic count has been done.

City Engineer Lutz stated the city has one that was performed by the Iowa Department of Transportation in 2006.

Councilmember Lange asked if stop signs at the intersection of Cedar and Logan could be installed rather than traffic lights.

He was told that traffic lights, even though more expensive, would be the best choice.

There was discussion concerning the placement of a trail on the south side of Cedar Street and how it would be funded. There was also discussion concerning the lighting of the trail with staff indicating it would not be lighted to discourage night travel.

Councilmember Natvig asked about the heaviest pedestrian traffic.

Mr. Hill stated that in his opinion it is at the entrance of the "Y" trail and east of Parham out to the high school.

Councilmember Lange stated the majority of the traffic is on the north side of the street from Parham to the high school.

Paul Kraushaar, 1737 Arbor Oaks Drive, stated he lives and works off Cedar Street. He expressed his concerns about the pedestrian traffic on Cedar Street and stated that fiscally he feels Option #3 with the trail on the north side of the street would be a good choice. He stated the trail would get pedestrians off the street and it would be maintained by the city.

Muscatine resident Anthony Gaeta stated he was in agreement with Mr. Kraushaar's suggestion but stated he feels a stop light is needed at the Logan Street intersection.

Rich Phillips, 35 Colony Drive, stated he is a proponent of the trail system; however, he has concerns about bonding. He stated his first choice would be Option #2 and his second Option #3.

Jim Edgmond, 205 Cook Street, representing Grace Lutheran Church and its Property Committee located at 2107 Cedar Street, stated the church would like to see improvements made as quickly as possible; however, there are concerns about assessments as a funding option. He stated his preference would be Option #3. He stated there are concerns about the trail and that the church would like to see other points of access.

Larry Koehrsen, 510 W. 2nd Street, stated he supports the trail concept on Cedar Street, and his preferences were Options #3 and #5 although he feels #5 would be the best choice. He stated he feels that with Option #3, pedestrians will still walk in the street with or without lights.

Councilmember Lange stated he had placed at Councilmembers' desks a copy of a news article that ran in the Muscatine Journal eight years ago. He stated he strongly believes a three-lane configuration with a trail on the north side is the best choice. His second choice would be Option #3. He stated he feels pedestrians will use the trail adjacent to the roadway and not use the south side as much. He stated this is a public safety issue and the project needs to be done.

Councilmember Roby thanked Randy and Jon for their work. She stated she feels the project needs to be done and it needs to be done right. She stated she favors Option #5 with costs leveled out through bonding.

Councilmember Natvig stated he also prefers Option #5.

Councilmember LeRette stated his first choice would be Option #5. He stated that Option #2 with a south side trail would be his second choice.

Councilmember Bynum stated he sees all the options and the dollar signs that go with them. He stated he likes Mr. Phillips' ideas.

Councilmember Lange stated the only monetary difference between Options #3 and #5 is \$300,000 for the addition of a trail on the north side of the street.

#20965. Councilmember Lange moved that Option #5, which includes three lanes of traffic and a trail on the north side of Cedar Street, be used for the Cedar Street Reconstruction Project. Seconded by Councilmember Roby.

Councilmember Bynum stated he felt Option #2 was a good compromise and less expensive.

Vote – Four ayes: Councilmembers Lange, Roby, LeRette, and Natvig. One nay: Councilmember Bynum. Motion carried.

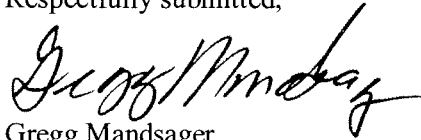
The final item on the agenda was a power point presentation by Solid Waste Manager Laura Liegois on the status of Keep Muscatine Beautiful, Earth Day and events planned for the month of April.

Under comments, Councilmember LeRette thanked those attending the meeting and Nancy Lueck for all of her work on the budget.

Councilmember Natvig stated Council is determined to hold the line during the upcoming year and it may require drastic measures.

#20966. Councilmember Bynum moved the meeting be adjourned at 8:57 p.m. Seconded by Councilmember Roby. All ayes; motion carried.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gregg Mandsager", written in a cursive style.

Gregg Mandsager
City Administrator